

## OFFICE OF THE MAYOR CITY OF ST. LOUIS MISSOURI

FRANCIS G. SLAY MAYOR

CITY HALL - ROOM 200 1200 MARKET STREET SAINT LOUIS, MISSOURI 63103-2877 (314) 622-3201 FAX: (314) 622-4061

June 26, 2013

Honorable Audrey Fleissig
United States District Judge, Eastern District of Missouri
Suite 9.142
Thomas F. Eagleton Courthouse
111 S. 10<sup>th</sup> St.
St. Louis, MO 63102

Re: Sentencing of Mr. Fred Robinson

Dear Judge Fleissig:

I submit this victim impact statement both as an elected representative of City taxpayers and as the chief executive officer of thousands of hard-working City employees.

It has become unfortunately difficult in today's society to read the daily news without learning of an instance of public corruption. While the successful prosecution of such cases is a credit to federal law enforcement officials, defendants who perpetrate crimes of public corruption create a lasting blemish upon government and upon the stature of thousands of federal, state and local officials and employees who serve with integrity.

The pervasiveness of Mr. Robinson's scheme is particularly egregious and, in the words of U.S. Attorney Richard Callahan, his crimes went "way beyond somebody's imagination." Mr. Robinson engaged in a deliberate, repetitive scheme over many years in order to collect over \$175,000 from the Office of the St. Louis City Treasurer as a "ghost employee." This type of situation unfortunately serves to sour the public's perception of all City employees, the overwhelming, vast majority of whom are honest, diligent and hard-working.

In addition to stealing a government salary, Mr. Robinson also diverted nearly \$250,000 from a fledgling charter school. He did this through a very deliberate scheme as well. His theft served to undermine the reputation of City charter schools at a critical time, just as this important educational alternative was gaining traction in the St. Louis community. Thankfully today the City boasts an extraordinarily successful charter school program, despite the failure of the school associated with Mr. Robinson.

While I am confident that no one would regard government theft as a "victimless crime", I write in order to put a face on the many, many victims. Public corruption of this type ensnares thousands: the taxpayers who pay the bill, the honest government employees whose job stature is blemished, the parents and children who rely on charter schools, and the citizenry whose trust in government erodes.

Accordingly, I urge this Honorable Court to take these victims into consideration when sentencing Mr. Robinson. Thank you.

Francis G. Slay
Mayor, City of St. Louis





Office of Quality Schools

205 Jefferson Street, P.O. Box 480 • Jefferson City, MO 65102-0480 • dese.mo.gov

July 1, 2013

Honorable Judge Audrey Fleissig United States District Court

In care of: Hal Goldsmith Office of the United States Attorney 111 South Tenth Street St. Louis, MO. 63102

Honorable Audrey Fleissig:

The misappropriation of funds by Fred Robinson from the Paideia Academy accounts for the purchase of land and other items related to the development of the proposed Little People's Academy was detrimental not only to the children served by the Paideia Academy, but to all students who are served in public schools in the City of St. Louis.

These public funds were intended to educate students in elementary school as indicated in the school's charter. These funds should have been used to fund educator salaries, facility improvements, technology, textbooks and other items critical for students in the charter school. Robinson's action was a gross disservice to these school children.

Sincerely,

Jocelyn Strand, Coordinator

Jocelyn Strand

School Improvement

MO Dept. of Elementary and Secondary Education



## UNITED STATES DEPARTMENT OF EDUCATION

## OFFICE OF THE GENERAL COUNSEL

THE GENERAL COUNSEL

June 25, 2013

The Honorable Audrey Fleissig
United States District Court for the District
of Eastern Missouri
111 South 10th Street
St. Louis, MO 63102

Subject: In the matter of Fred W. Robinson, No. 4:11 CR 361 AGF

Dear Judge Fleissig:

At the request of the Assistant United States Attorney for the District of Eastern Missouri, Hal Goldsmith, I am providing this statement on behalf of the United States Department of Education (the Department), for the sentencing of Mr. Fred W. Robinson. My name is Philip H. Rosenfelt, and I am the Deputy General Counsel for Program Service Designated to Perform the Functions and Duties of the General Counsel at the U.S. Department of Education. My office is responsible for providing legal services to the Department, including the Secretary of Education, and other senior officials and offices of the Department.

I have been informed that on March 26, 2013, Fred W. Robinson, former Chairman of the Board of Directors for the Paideia Academy Charter School (Paideia), and owner of the Paideia Corporation was convicted by a jury in the U.S. District Court for the District of Eastern Missouri on one count of Wire Fraud and seven counts of Federal Program Theft. Mr. Robinson was the Chairman of the Board of Trustees for Paideia, a Missouri public charter school for kindergarten through eighth grade. He maintained an office in the school's administration building and was apparently involved in the day-to-day management and administration of the school. Paideia was tuition free and received funds from Federal education programs administered by the Department, and Missouri education funds intended for legitimate school operations.

According to testimony presented at trial, during 2009 and 2010, Robinson diverted approximately \$242,333 of Paideia Academy funds for the purchase, construction, renovation and rehabilitation of a building at 4028 West Florissant Avenue in St. Louis. This building was being renovated and rehabilitated for the purpose of developing and operating a Little People's Academy daycare center to be operated by Mr. Robinson and an associate through Paige C. Investments, LLC, in which Mr. Robinson had an ownership and financial interest. Mr. Robinson failed to disclose his ownership and financial interest in the proposed daycare center to the Paideia Academy Board of Trustees. Mr. Robinson's partner in the proposed daycare center

Letter to Honorable Judge Audrey Fleissig Page 2

was a friend and associate of his who worked as a bartender at a lounge frequented by Mr. Robinson, and who appeared to have no background, experience, or training in early childhood education or the operations of a daycare center.

This case was investigated by the Federal Bureau of Investigation and the Department's Office of Inspector General.

Theft, diversion, or misuse of education funds from any source, whether from local, state, or Federal sources, or from private donations, is always disturbing. Such theft, diversion, or misuse of funds takes away from key resources that are critical to the future of the nation's children. Paideia received funding from several Federal education programs administered by the Department that are intended to provide additional programs and resources for key educational purposes for the students of the school that supplement what is provided with state and local funds. Paideia received more than \$1.2 million during 2009 and 2010 from the Title I, Part A and School Improvement Grant programs (See 20 U.S.C. 6301 et seq.). Each of these programs, which are key components of the Elementary and Secondary Education Act, are a significant source of funds for serving academically at-risk students residing in areas in which there are high concentrations of low-income students. Our Department's Office of Inspector General determined that approximately \$234,000 of the \$242,333 that was illegally diverted were Title I funds administered by our Department. These programs are designed to help ensure that the students who are served are able to meet the same academic achievement standards that all children are expected to meet.

Federal education funds suffered a large part of the loss attributed to Mr. Robinson. This loss is real and negatively affects the students who would have been served in those programs. In specialized programs like the ones I described, theft represents educational opportunities lost to the deserving children of Paideia and the State of Missouri.

Please let me know if you have any questions or need additional information about this matter. Thank you for the opportunity to provide this statement.

Sincerely,

Lhelip H. Rosenfell
Philip H. Rosenfelt

Deputy General Counsel for Program Service

Designated to Perform the Functions and Duties of the General Counsel